

# STATE BOARD OF EDUCATION

## SYNOPSIS AGENDA/EXECUTIVE SUMMARY

<b>CODE:</b>	IF-02
<b>COMMITTEE:</b>	Innovation and Finance
<b>DATE:</b>	October 14, 2015

### SUBJECT/TITLE

School Bus/Boat Per Mile Base Rate Methodology

### PURPOSE OF REPORT/REGULATION/ITEM

The purpose of this report is to update the annual depreciation value in the school bus/boat per mile base rate methodology.

### CRITICAL FACTS

This methodology was approved by the State Board.

### SCHOOL BUS/BOAT PER MILE PERMIT RATE METHODOLOGY

The South Carolina Department of Education (SCDE) is directed to annually use the following methodology to compute the SCDE Per Mile Permit Rate for the non-state funded use of SCDE school buses and boat.

The Per Mile Permit Rate calculation shall include the following:

1. Total Fiscal Year Office of Transportation Expenditures (non-capital)
2. Annual Depreciation Cost of the School Transportation Equipment
3. Annual Depreciation Cost of the School Transportation Maintenance Facilities  
(The SCDE Office of Auditing Services will determine the most appropriate method for calculating equipment and facility depreciation.)
4. Total Fiscal Year school bus odometer mileage data

The Per Mile Permit Rate will be determined by dividing each of the above fiscal year expenditure/cost by the total most recent previous fiscal year school bus odometer miles. Each category's Per Mile Permit Rate will be totaled to establish the Total SCDE Per Mile Permit Rate.

The SCDE Office of Auditing Services shall assist in and approve the calculation of the Per Mile Permit Rate and notify the Office of Transportation, who will then notify each school district by December 31, what the new rate will be for the next fiscal year (July 1 through June 30). The calculation and notification of the FY 2016 Per Mile Permit Rate will be an exception to the above

schedule. The FY 2016 Per Mile Permit Rate will be immediately announced after the State Board's approval of this methodology.

#### **TIMELINE/REVIEW PROCESS**

The proposed methodology is requested to calculate a new per mile base rate for FY 2016 and a new rate for future years. The per mile rate methodology will be used by the SCDE.

#### **ECONOMIC IMPACT**

<b>COST:</b>	2015 Base Rate was \$1.51 and 2016 Base Rate is \$1.24. This will be a negative impact of \$0.27 per mile.
<b>FUND/SOURCE:</b>	Revenue

#### **ATTACHMENTS**

**Attachments:** ☐ yes ☒ no  
(attachments must be submitted with synopsis)

**Name of Attachments:**

#### **RECOMMENDATION**

Updating the approved formula to provide districts with true numbers.

#### **ACTION REQUEST**

FOR APPROVAL: ☐

FOR INFORMATION ONLY: ☒